GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

UNSTARRED QUESTION NO:4971
ANSWERED ON:27.04.2005
AD VALOREM TAX REGIME IN DELHI
Ponnuswamy Shri E.

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Government has accorded approval for introduction of ad-valorem tax regime in Union Territory of Delhi;

(b) if not, the reasons thereof;

(c) the likely impact on consumers as a result of the said tax;

(d) the financial benefits likely to be accrued to the UT Government therefrom; and

(e) the manner in which the Government plans to compensate losses caused to the Union Territory of Delhi due to delay in grant of approval?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI K.H. MUNIYAPPA)

(a)&(b) The Ministry had conveyed in November, 2004 its `No Objection` to Ministry of Home Affairs on the Delhi Motor Vehicles Taxation(Amendment) Ordinance, 2004 which inter-alia contained a proposal for introduction of Ad-Valorem Tax on private non-transport vehicles.

(c)&(d) Levy/collection of Road Tax comes under the purview of the State Government. The impact of levy of such Ad-valorem taxes on motor vehicles as also the likely benefits to the Government of NCT of Delhi has to be assessed by Govt. of NCT of Delhi.

(e) Does not arise in view of (a) & (b) above.